

An Overwhelmed Transportation System*

- *Threatens competitiveness, jobs and future economic vitality*
- *Wastes time and money for people and business*
- *Diminishes quality of life and degrades the environment*



For urban and suburban commuters.



For frustrated citizens across the state.



For manufacturers, growers, shippers and haulers.

*And What to Do About It

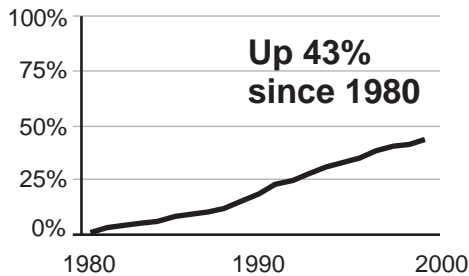
April 2002



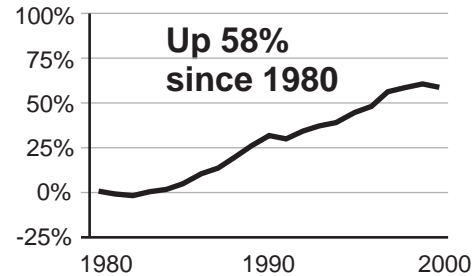
**Washington State
Department of Transportation**

Our state's transportation crisis should come as no surprise!

Population is up...

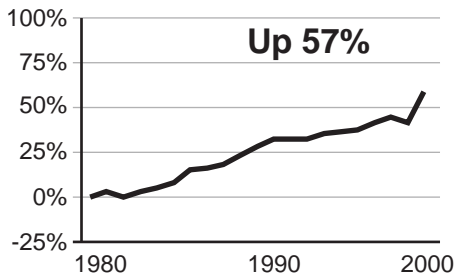


Jobs are up...

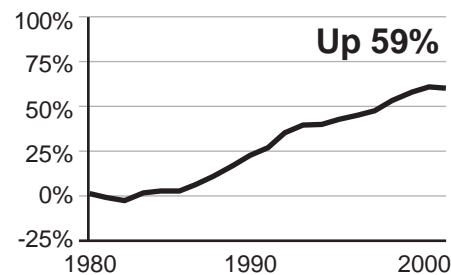


...and as a result:

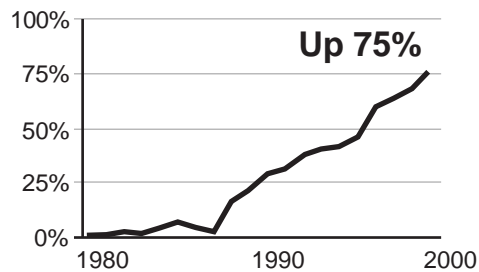
Vehicle registrations are up



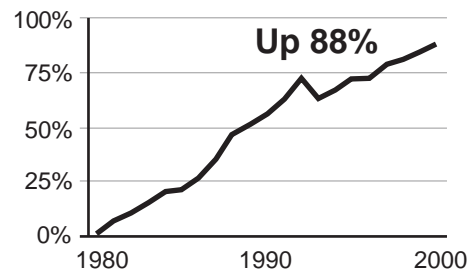
Ferry passengers are up



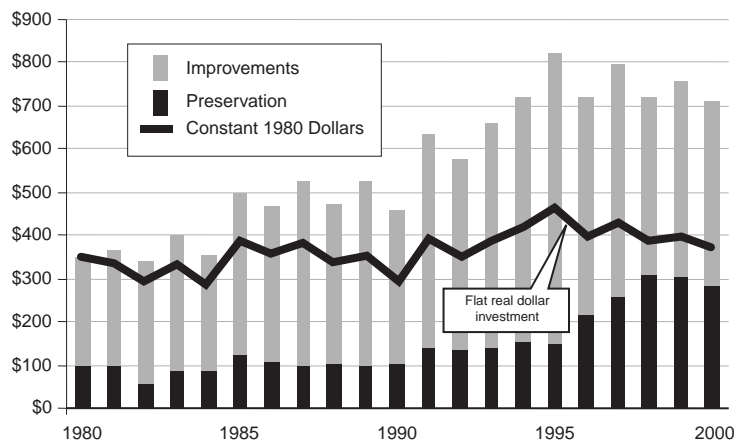
Transit and vanpool riders are up



Vehicle miles are up

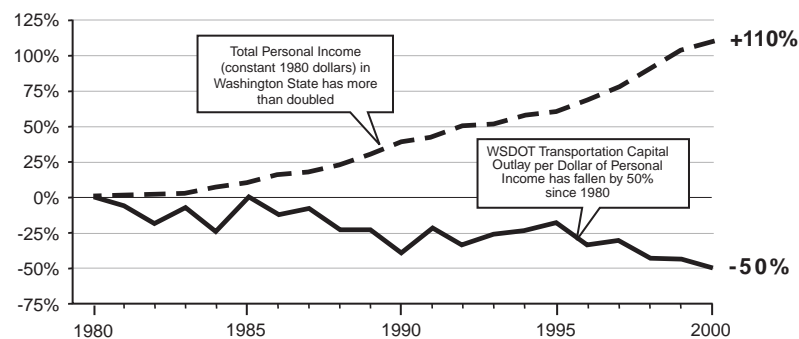


But the state's capital investment in transportation infrastructure has not kept pace with demand.



In fact, annual levels of transportation investment have fallen sharply in relation to state total personal income, even as real dollar income has more than doubled.

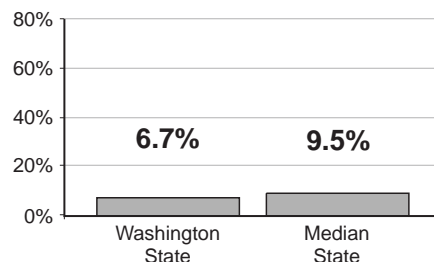
Transportation Capital Investment Per Dollar of Personal Income



Sources: Capital Outlay Expenditures by Washington State Department of Transportation, based on available data, WSDOT, 2001.

For 1992-1998, highway spending in the state budget totaled only 6.7% of direct state spending – fortieth among the states.

Percentage of Direct State Spending for Highway Expenditures: 1992 - 1999

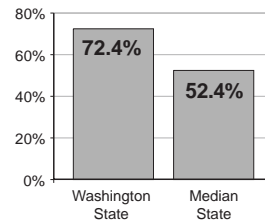


Source: U.S. Department of Commerce, Bureau of the Census, State and Local Government Finances by Level of Government and State, 1992-1999.

What about the state gas tax?

In 1999, Washington's reliance on gas tax and user taxes to fund highway programs was almost forty percent higher than the national median – second among the states.

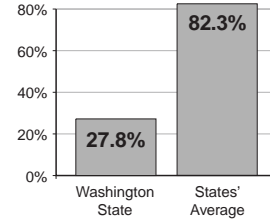
Dependence on State Highway User Fees for Highway Expenditures: 1999



Source: U.S. Department of Transportation, Federal Highway Administration, Highway Statistics 1999, Revenues Used by States for Highways - 1999.

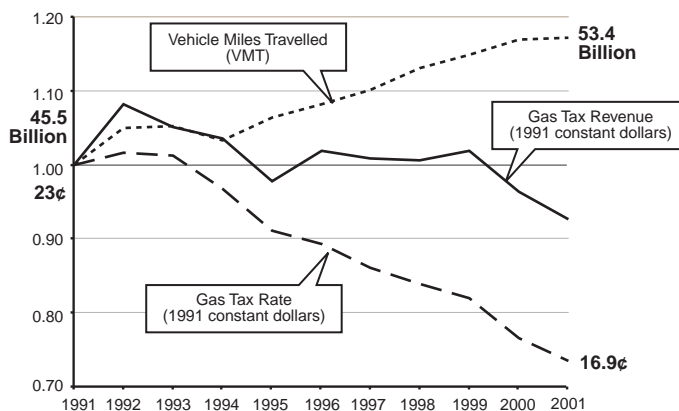
Yet, Washington, since 1984, has raised its gas tax by a smaller percentage than forty-four of the other states.

Percentage Increase in State Gas Tax: 1984 - 1999



Source: U.S. Department of Transportation, Federal Highway Administration, Highway Statistics 1999, State Tax Rates on Motor Fuel 1984-1999.

Real dollar shrinkage of Washington State gas tax receipts

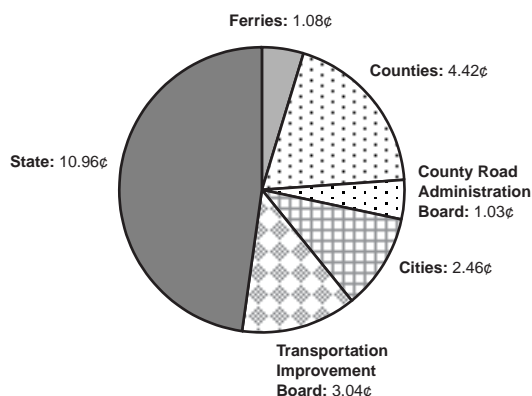


Gas tax revenues and the gas tax rate were converted to 1991 constant dollars using the Federal Highway Administration's composite cost index for federal aid highway construction.

Total cost of driving in Washington State is about 60¢ a mile.

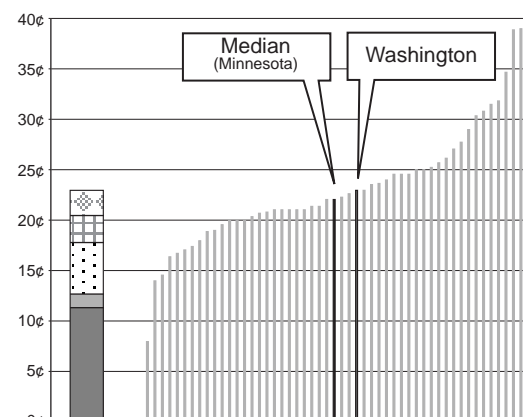
Of that, less than 2¢ per mile contribute to highway costs (based upon a 23¢ per gallon tax).

Only 12¢ of the gas tax goes to state programs. Every penny of the entire tax goes to highway purposes.



Washington's gas tax ranks 23rd among the states at 23¢ per gallon. The median gas tax (Minnesota) is 22.09¢ per gallon.

Combined State and Local Fuel Tax Rates, June 30, 2001

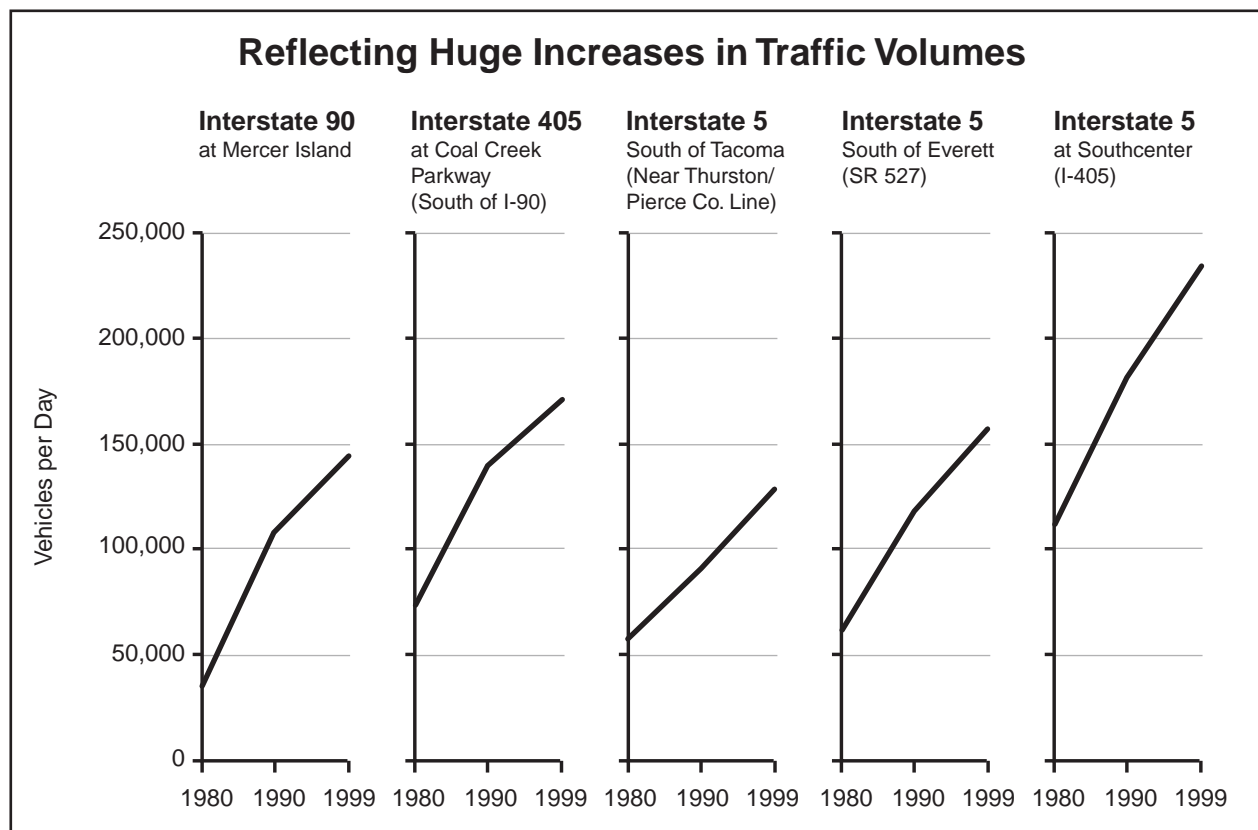
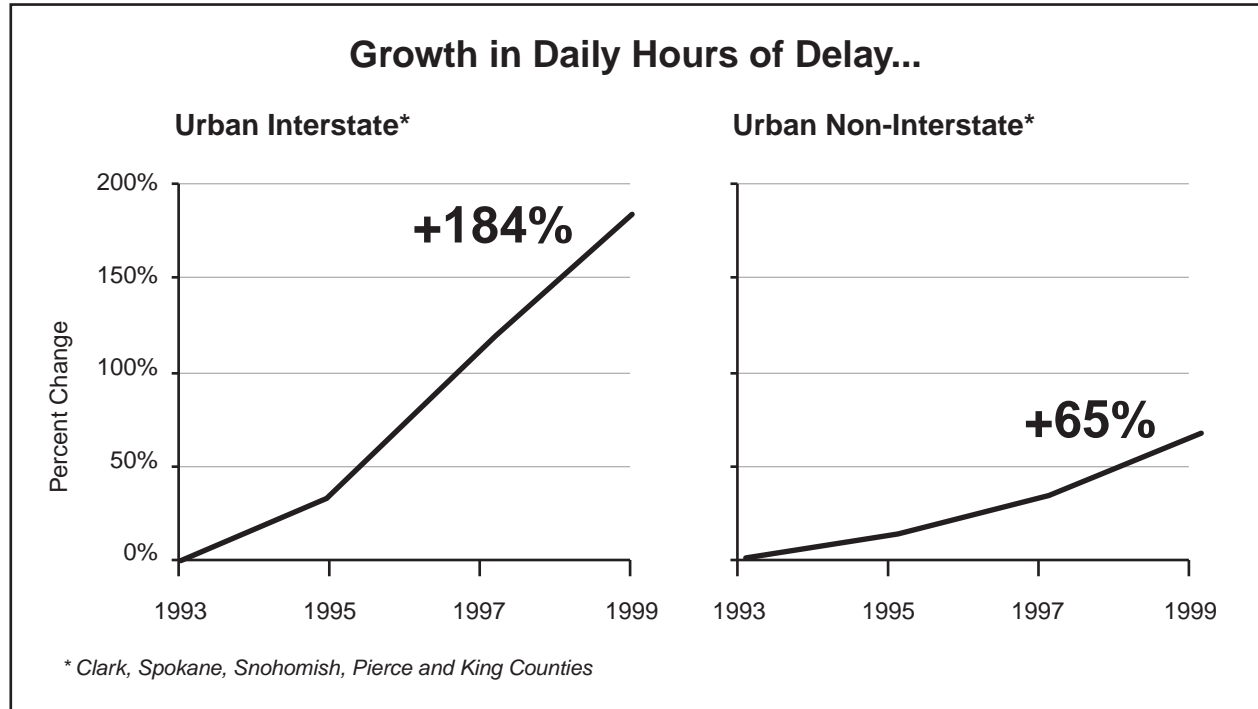


Source: U.S. Department of Transportation, Federal Highway Administration, Highway Statistics 1999, State Tax Rates on Motor Fuel 1984-1999.

The moment for renewed commitment in transportation investment is at hand:

- **Unaddressed highway chokepoints and bottlenecks.**
- **Unbuilt safety improvements.**
- **Backlogged capacity expansion projects.**
- **Aging interstate pavements.**
- **Overdue bus and rail transit improvements.**
- **Earthquake-vulnerable bridges.**
- **Outdated ferries and obsolete terminals.**
- **Unmet environmental remediation needs.**

With predictable consequences of delay, congestion and tie-ups for users



Shippers' delays raise the cost of moving goods and inventories:

- **Growers' meet delays in shipping to ports that threaten international price competitiveness.**
- **Manufacturers encounter expensive delays in scheduling parts deliveries.**
- **Merchants face higher delivery costs for inventories.**

Motorists' inconvenience translates into unproductive hours in traffic, wasted fuel costs and frustration at quality-of-life losses:

- **Second highest traffic delays in the nation.**
- **Fuel waste and air pollution from stalled traffic.**
- **Unpredictable travel times to work, doctors' appointments, and recreation.**
- **Lessened appeal for tourist and visitor attractions.**

This is a statewide problem:

- **Central Puget Sound is in everyone's focus.**
- **Clark County transportation needs are fueled by rapid growth in-state.**
- **Western Snohomish County is in transportation crisis.**
- **Spokane freeway improvements are urgently required.**
- **Safety and maintenance of rural roads concern everyone.**
- **Freight and passenger rail needs are critical to the state's economy.**
- **I-90 Idaho to ports is a transportation priority.**
- **And on and on around the state, in every transportation mode.**

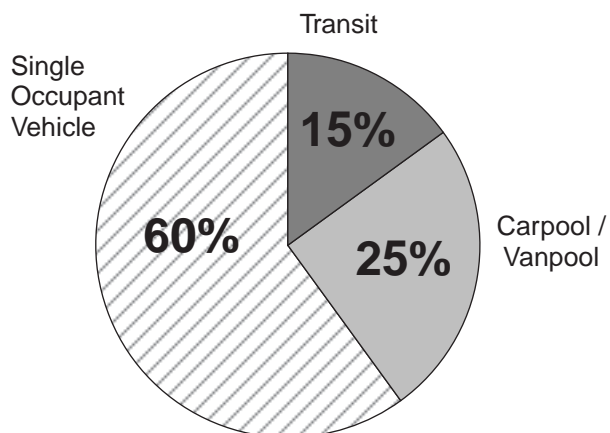
What is to be done?

1. Better use of existing infrastructure

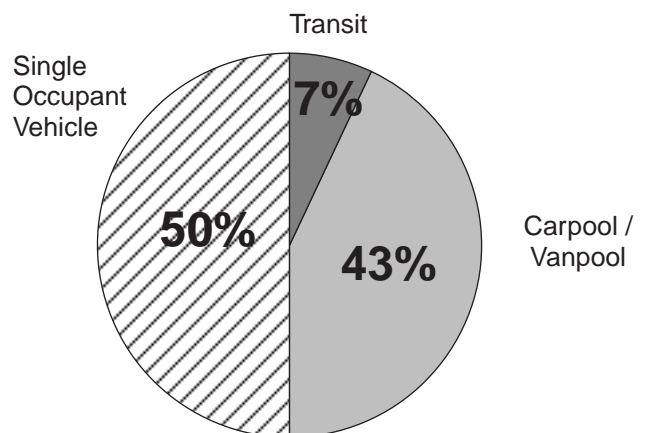
Use all the transportation modes



Southbound Interstate 5
Morning Peak at Northgate



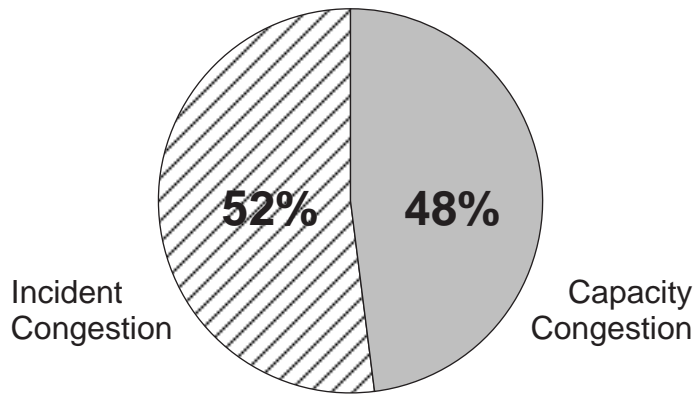
Interstate 405
Morning Peak at Newcastle



All modes contribute to transportation efficiency at peak hours.

Clear Highway Incidents More Quickly

More than half of Puget Sound area congestion is from roadway incidents:



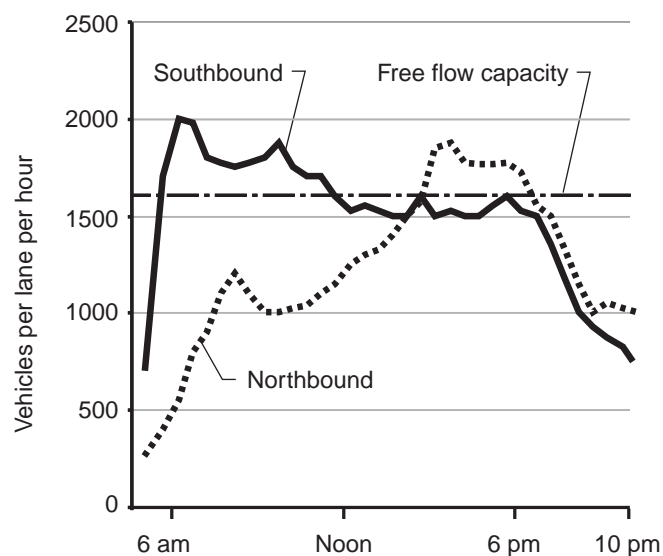
Capacity loss from a blocking incident on a three-lane highway:

*Subtract
from
Capacity*

Accident pushed to the shoulder	17%
Accident blocking one-lane	51%
Accident blocking two-lanes	85%

Shift Demand from Capacity-Choked Peak Periods

Typical Traffic on I-5 – North Seattle



2. More rehabilitation and renewal of existing infrastructure

Pavements

- Continue lowest life cycle cost rehabilitation of all pavements, including difficult, inconvenient rehabilitation of deteriorating concrete pavement on interstates.

Bridges

- Seismic upgrade for 40 bridges. Foundation improvements for 41 bridges to protect against pier scour (fiscal year 2001- 2003).

Rural railroads

- Upgrade 450+ miles of rail serving rural communities to permit modern, heavier freight cars.

Ferry terminals

- Modernize terminals to serve today's travelers' needs.

WSDOT Environmental Policy Statement

The Department shall conduct all its affairs in accordance with the dictates of sound environmental protection practices, including pollution prevention wherever reasonably possible. The Department shall also avoid, minimize and appropriately mitigate adverse environmental impacts. These undertakings extend to the construction, maintenance and operation of its systems and facilities.

September 26, 2001

3. Aggressive investment for backlog structure needs

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WSDOT leadership is considering how to continue this discussion and will revise as necessary.

We cannot stand still while job-hungry competitors move forward

For example:

Illinois

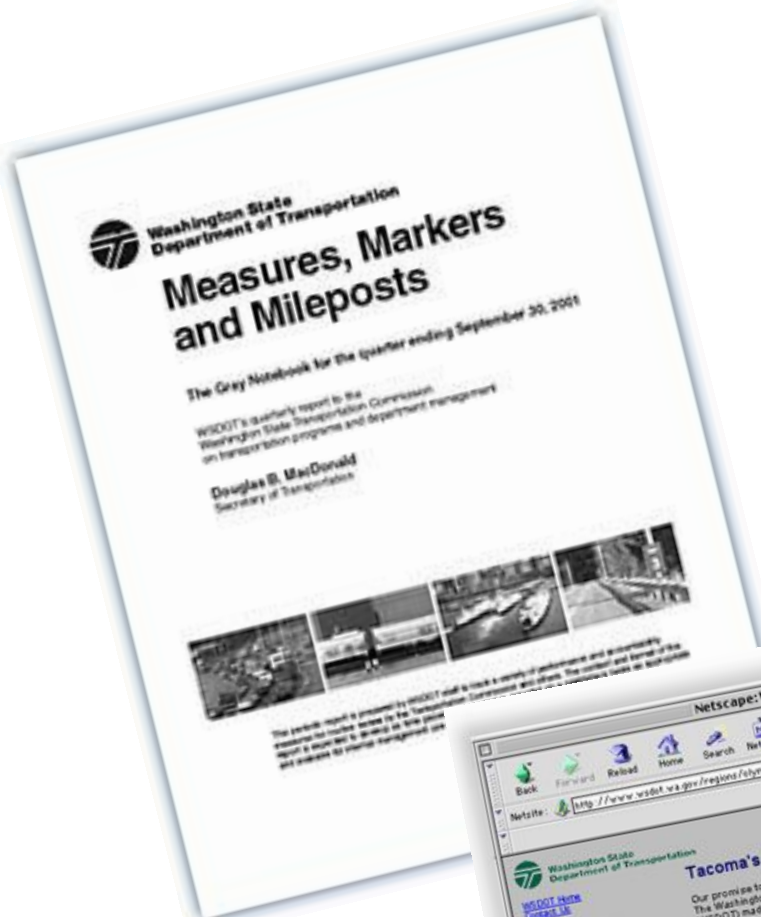
- Five-year \$8+ billion transportation improvement plan for highways, roads, transit, etc.
- Road, rail, bridges, transit improvements funded by increased fees, capture of transportation revenues previously used elsewhere, and increased pursuit of federal funds.

Colorado

- \$1.6 billion transportation expansion corridor along Interstate 25 and Interstate 225.
- New highways, bridges, light rail, new stations, new drainage systems, pedestrian and bicycle facilities.

Other states know that jobs, incomes, and a strong tax base are the dividends of a strong transportation system!

WSDOT is an agency that delivers cost-effective construction projects and is committed to public accountability.



The Time for Action is Now!

Business and industry are a very part of the state and economy. In fact, the state's economy, say a transportation trust funds, say Washington State is our highest priority.

The Governor has asked the Legislature to take immediate action.

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